

**FISCAL MEMORANDUM
SB 342 – HB 2081**

June 7, 2007

SUMMARY OF AMENDMENTS (005377, 010015): Deletes the language of the original bill that required previously paid premium taxes to be refunded to a self-insured insurance pool of an association of private, not-for-profit educational institutions which has been in existence for twenty-five years or more. Changes the effective to July 1, 2008.

FISCAL IMPACT OF ORIGINAL BILL:

Decrease State Revenues – Exceeds \$200,000 Recurring
Increase State Expenditures - \$1,157,000 One-Time
Decrease State Expenditures – Not Significant/Recurring

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:

**Decrease State Revenues –
Exceeds \$200,000 Recurring / FY08-09 & Thereafter**
**Decrease State Expenditures –
Not Significant/Recurring / FY08-09 & Thereafter**

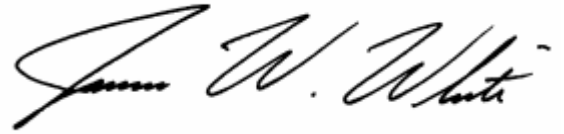
Assumptions applied to amendments:

- One entity, the Tennessee Independent Colleges and Universities Association Benefit Consortium, will be affected by the provisions of this bill, as amended.
- Based on past premium tax payment history, the state will realize a decrease in revenues exceeding \$200,000 on a recurring basis beginning in FY08-09.
- There will be a not significant, recurring decrease in state expenditures in administrative costs as a result of no longer requiring the Consortium to pay premium taxes.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

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A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible, and "W." in the middle.

James W. White, Executive Director

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